

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

Broadwater Energy

Docket No. PF05-4-000

**NOTICE OF INTENT TO PREPARE AN
ENVIRONMENTAL IMPACT STATEMENT
FOR THE **BROADWATER LNG PROJECT**,**

REQUEST FOR COMMENTS ON ENVIRONMENTAL ISSUES, AND

NOTICE OF JOINT PUBLIC MEETINGS

(August 11, 2005)

The Federal Energy Regulatory Commission (FERC or Commission) and the U.S. Department of Homeland Security, U.S. Coast Guard (Coast Guard) are in the process of evaluating the Broadwater LNG¹ Project planned by Broadwater Energy (Broadwater), a joint venture between TCPL (TransCanada Pipelines Ltd.) USA LNG, Inc. and Shell US Gas & Power LLC. The project would be located in Long Island Sound, within New York State Waters, and would consist of an offshore LNG import terminal and an offshore natural gas pipeline that would connect to an existing offshore natural gas transmission pipeline.

As a part of this evaluation, FERC staff will prepare an environmental impact statement (EIS) that will address the environmental impacts of the project and the Coast Guard will assess the safety and security of the project. As described below, the FERC and the Coast Guard will hold joint public meetings to allow the public to provide input to these assessments.

The Commission will use the EIS in its decision-making process to determine whether or not to authorize the project. This notice explains the scoping process we² will use to gather information on the project from the public and interested agencies and summarizes the process that the Coast Guard will use. Your input will help identify the issues that need to be evaluated in the EIS and in the Coast Guard's safety and security assessment.

The FERC will be the lead federal agency in the preparation of an EIS that will satisfy the requirements of the National Environmental Policy Act (NEPA). Several federal agencies will serve as cooperating agencies during preparation of the EIS: the

¹ liquefied natural gas.

² "We," "us," and "our" refer to the environmental staff of the FERC's Office of Energy Projects.

Coast Guard; the U.S. Environmental Protection Agency; the U.S. Army Corps of Engineers; and the U.S. Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service. In addition, we have invited the U.S. Fish & Wildlife Service, the New York State Department of Environmental Conservation, and the New York State Department of State to serve as cooperating agencies in preparation of the EIS.

Comments on the project may be submitted in written form or verbally. Further details on how to submit written comments are provided in the Public Participation section of this notice. In lieu of sending written comments, we invite you to attend the public scoping meetings that we have scheduled as follows:

Schedule and Locations for Public Meetings

Date and Time	Location
Tuesday, September 13, 2005 7:00 p.m. to 10:00 p.m. (EST)	Stony Brook University Charles B. Wang Center Stony Brook, NY 11794 (across from parking garage on campus) Phone: (631)-632-6320
Wednesday, September 14, 2005 7:00 p.m. to 10:00 p.m. (EST)	Shoreham-Wading River Middle School Auditorium 100 Randall Road, Shoreham, NY 11786 Phone: (631) 821-8268
Tuesday, September 20, 2005 7:00 p.m. to 10:00 p.m. (EST)	East Lyme High School Auditorium 30 Chesterfield Road, East Lyme, CT 06333 Phone: (860) 739-6946
Wednesday, September 21, 2005 7:00 p.m. to 10:00 p.m. (EST)	Branford High School Auditorium 185 East Main Street, Branford, CT 06405 Phone: (203) 488-7291

The EIS scoping meetings listed above will be combined with the Coast Guard's public meetings regarding the safety and security of the project. At the meetings, the Coast Guard will discuss its ongoing analysis of (1) the suitability of Long Island Sound to accommodate LNG carriers, and (2) the facility's operations manual, emergency response plan, and security plan. The Coast Guard has issued a separate meeting notice for the safety and security aspects of the project.

This Notice of Intent is being sent to federal, state, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; commentors and other interested parties; and local libraries and newspapers. We

encourage government representatives to notify their constituents of this planned project and encourage them to comment on their areas of concern.

Summary of the Planned Project

Broadwater plans to construct and operate an LNG terminal and natural gas transmission pipeline in Long Island Sound within New York State waters. The general location of the project is shown on Figure 1. The Broadwater LNG Project would include a floating storage and regasification unit (FSRU) that would receive LNG from LNG carrier vessels, store the LNG in onboard storage tanks, and vaporize the LNG to natural gas. The natural gas would be sent out to the existing interstate natural gas pipeline system via a new offshore pipeline (described below). The FSRU would be approximately 1,250 feet long and 200 feet wide, have a draft of approximately 40 feet, and would be shaped like a marine vessel. The deck of the FSRU would be approximately 80 feet above the water line, and some structures and equipment would extend above the deck.

The FSRU would be moored to a yoke mooring system that would consist of a fixed, tower-like structure secured to the seafloor by multiple legs attached to piles driven into the sediments. The FSRU would pivot around the mooring tower in response to wind, tide, and current conditions.

The FSRU would be moored at a water depth of approximately 90 feet at a distance of approximately 9 miles from the nearest Long Island shoreline and approximately 10 miles from the nearest Connecticut shoreline. After a review of safety and security issues related to the project, the Coast Guard would establish a safety zone around the FSRU, and all marine traffic not related to operation of the project would be prohibited from entering the safety zone.

Operation of the FSRU would involve the following basic activities:

- Receipt of LNG from two to three LNG carriers per week, each with a capacity of 125,000 to 250,000 cubic meters. Support tugs would assist the LNG carriers in berthing, with only one LNG carrier berthed at the FSRU at any one time.
- Temporary storage of up to 8 billion cubic feet (350,000 cubic meters) of LNG in onboard storage tanks.
- Vaporization of the stored LNG would be accomplished using a closed-loop, shell-and-tube vaporization system that would not require seawater intakes or discharges.

In addition to the LNG storage and vaporization equipment, the FSRU would also house the following major items:

- Power generation turbines fueled by natural gas.
- Equipment for gas and fire detection, fire protection, fire-fighting, life-saving, and other safety concerns.
- LNG unloading arms, cranes, piping, and manifolds.
- Crew quarters.

After vaporization of the LNG, natural gas would be sent out from the FSRU into a new 30-inch-diameter offshore pipeline that would extend approximately 22 miles from the FSRU to an offshore connection with an existing pipeline owned by the Iroquois Gas Transmission System (IGTS). The existing IGTS pipeline extends across Long Island Sound in an approximately northeast to southwest direction. Broadwater plans to bury the new pipeline beneath the seafloor. The project would deliver an average of about one billion cubic feet of natural gas per day to the IGTS pipeline, with a peak delivery rate of 1.25 billion cubic feet per day. IGTS would deliver the natural gas from the Broadwater LNG Project to its existing and future customers. Broadwater plans to have the project in operation by 2010.

Both the FSRU and the new pipeline would be located in offshore waters within Suffolk County, New York. Broadwater would be required to obtain a right-of-way lease from the New York State Office of General Services for the FSRU and the pipeline.

The EIS Process

NEPA requires the Commission to take into account the environmental impacts that could result from an action when it considers whether or not an LNG import terminal or an interstate natural gas pipeline should be approved. The FERC will use the EIS to consider the environmental impacts that could result if it issues project authorizations to Broadwater under Sections 3 and 7 of the Natural Gas Act. NEPA also requires us to discover and address concerns the public may have about proposals. This process is referred to as "scoping." The main goal of the scoping process is to focus the analysis in the EIS on the important environmental issues. With this Notice of Intent, the Commission staff is requesting public comments on the scope of the issues to be addressed in the EIS. All comments received will be considered during preparation of the EIS.

In the EIS we will discuss impacts that could occur as a result of the construction, operation, maintenance, and abandonment of the proposed project under these general headings:

- Geology and soils
- Water resources
- Aquatic resources
- Vegetation and wildlife

- Threatened and endangered species
- Land use, recreation, and visual resources
- Cultural resources
- Socioeconomics
- Marine transportation
- Air quality and noise
- Reliability and safety
- Cumulative impacts

In the EIS, we will also evaluate possible alternatives to the proposed project or portions of the project, and make recommendations on how to lessen or avoid impacts on affected resources.

Our independent analysis of the issues will be included in a draft EIS. The draft EIS will be mailed to federal, state, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; commentors; other interested parties; local libraries and newspapers; and the FERC's official service list for this proceeding. A 45-day comment period will be allotted for review of the draft EIS. We will consider all comments on the draft EIS and revise the document, as necessary, before issuing a final EIS. We will consider all comments on the final EIS before we make our recommendations to the Commission. To ensure that your comments are considered, please follow the instructions in the Public Participation section of this Notice of Intent.

Although no formal application has been filed, the FERC staff has already initiated its NEPA review under its Pre-filing Process. The purpose of the Pre-filing Process is to encourage early involvement of interested stakeholders and to identify and resolve issues before an application is filed with the FERC. In addition, the Coast Guard, which would be responsible for reviewing the safety and security aspects of the planned project and regulating safety and security if the project is approved, has initiated its review of the project as well.

With this notice, we are asking federal, state, and local agencies with jurisdiction and/or special expertise with respect to environmental issues, in addition to those agencies that have already agreed to serve as cooperating agencies (as noted above), to formally cooperate with us in the preparation of the EIS. These agencies may choose to participate once they have evaluated the proposal relative to their responsibilities. Additional agencies that would like to request cooperating agency status should follow the instructions for filing comments provided under the Public Participation section of this Notice.

Currently Identified Environmental Issues

We have already identified issues that we think deserve attention based on comment letters received during our NEPA Pre-filing Process, a preliminary review of the project area, and the planned facility information provided by Broadwater. This preliminary list of issues, which is presented below, may be revised based on your comments and our continuing analyses.

- Conversion of the project area from open water to an energy facility (“industrialization” of Long Island Sound);
- Potential impacts to the marine environment from construction activities, including habitats, water quality, and aquatic life;
- Potential impacts on essential fish habitat and state and/or federally-listed threatened and endangered species;
- Consistency with New York State and Long Island Sound Coastal Zone Management programs;
- Potential impacts due to air emissions from the FSRU and the LNG carriers;
- Potential visual impacts due to the presence of the FSRU and the LNG carriers;
- Potential impacts of ballast water intake by the FSRU and the LNG carriers;
- Potential impacts to public use resulting from creation of a safety zone around the FSRU;
- Potential impacts of increased boat traffic associated with construction in nearshore marine waters;
- Potential impacts of increased boat traffic associated with LNG carrier traffic and associated support vessels;
- Potential impacts on cultural resources at the site of the mooring tower and along the pipeline route;
- Potential noise impacts due to construction and operation;
- Risks associated with the transport and storage of LNG and the transport of natural gas;
- Alternative locations and alignments for the LNG terminal and offshore pipeline route, respectively; and
- Assessment of the cumulative effects of the project when combined with other past, present, or reasonably foreseeable future actions in the project area.

Public Participation

You can make a difference by providing us with your specific comments or concerns about the planned project. By becoming a commentor, your concerns will be addressed in the EIS and considered by the Commission. Your comments should focus on the potential environmental effects, reasonable alternatives (including alternative facility sites and pipeline routes), and measures to avoid or lessen environmental impacts. The more specific your comments, the more useful they will be. To ensure that your comments are timely and properly recorded, please follow these instructions:

- Send an **original and two copies** of your letter to:

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First St., N.E., Room 1A
Washington, DC 20426
- Label one copy of your comments for the attention of Gas Branch 3, DG2E
- Reference Docket No. PF05-4-000 on the original and both copies.
- **Mail your comments so that they will be received in Washington, DC on or before October 7, 2005.**

The Commission strongly encourages electronic filing of any comments in response to this Notice of Intent. For information on electronically filing comments, please see the instructions on the Commission's web site at <http://www.ferc.gov> under the "e-Filing" link and the link to the User's Guide as well as information in 18 CFR 385.2001(a)(1)(iii). Before you can file comments you will need to create a free account, which can be accomplished on-line.

The public scoping meetings (dates, times, and locations are listed above) are designed to provide another opportunity to offer comments on the proposed project. Interested groups and individuals are encouraged to attend the meetings and to present comments on the environmental issues that they believe should be addressed in the EIS. A transcript of each meeting will be generated so that your comments will be accurately recorded.

Once Broadwater formally files its application with the Commission, you may want to become an "intervenor," which is an official party to the proceeding. Intervenor play a more formal role in the process and are able to file briefs, appear at hearings, and be heard by the courts if they choose to appeal the Commission's final ruling. An intervenor formally participates in a Commission proceeding by filing a request to intervene. Instructions for becoming an intervenor are included in the User's Guide under the "e-filing" link on the Commission's web site. **Please note that you may not request intervenor status at this time.** You must wait until a formal application is filed with the Commission.

Environmental Mailing List

If you wish to remain on the environmental mailing list, please return the attached Mailing List Form. **If you do not return this form, we will remove your name from our mailing list.**

Additional Information

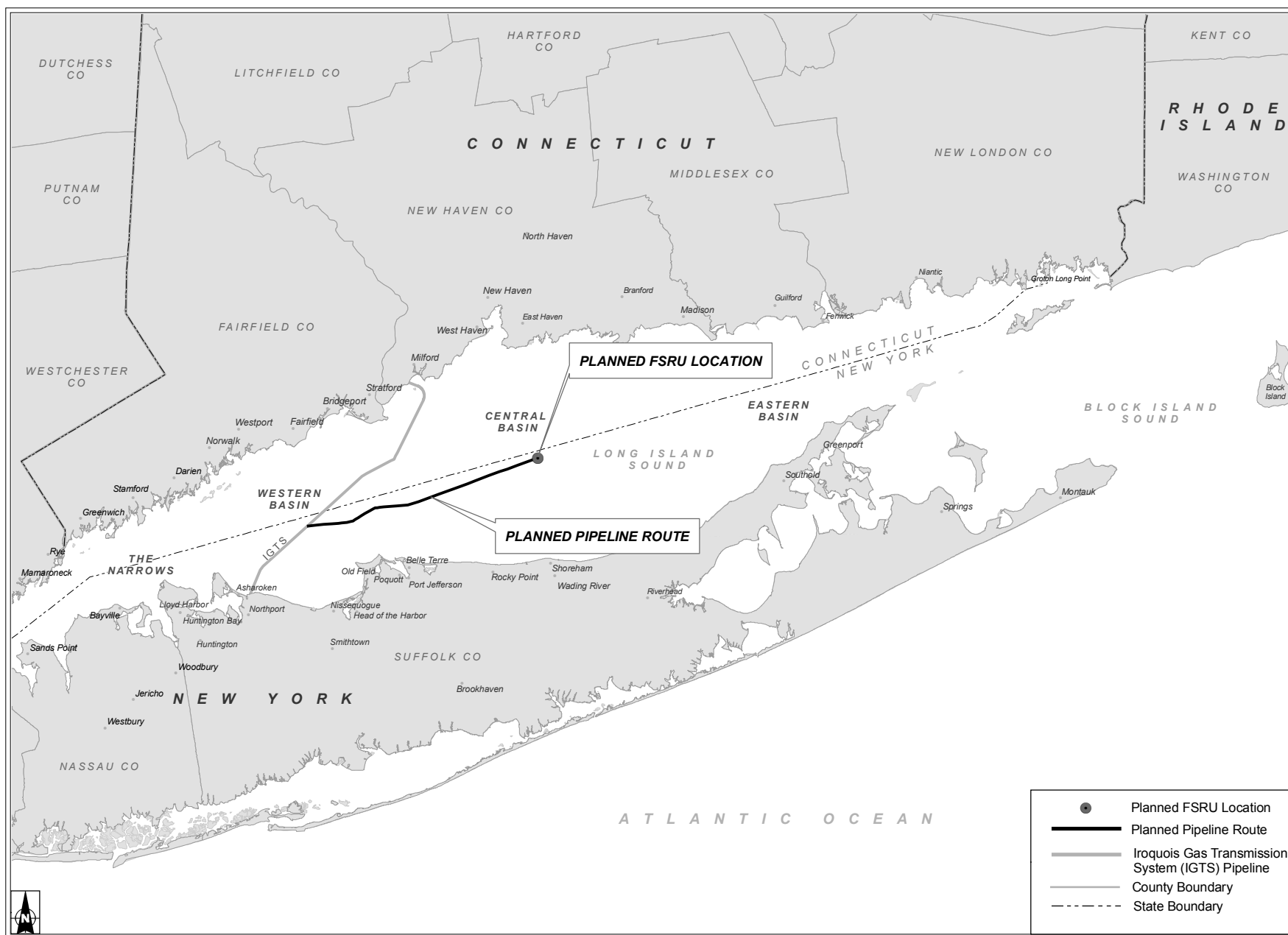
Additional information about the project is available from the Commission's Office of External Affairs, at **1-866-208-FERC (3372)** or on the FERC Internet website (www.ferc.gov) using the "eLibrary link." Click on the eLibrary link, select "General Search" and enter the project docket number excluding the last three digits (*i.e.*, PF05-4) in the "Docket Number" field. Be sure you have selected an appropriate date range. For assistance with eLibrary, the eLibrary helpline can be reached at 1-866-208-3676, TTY (202) 502-8659, or by e-mail at FercOnlineSupport@ferc.gov. The eLibrary link on the FERC Internet website also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rule makings.

In addition, the FERC now offers a free service called eSubscription that allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. To register for this service, go to <http://www.ferc.gov/esubscribenow.htm>.

Public meetings or site visits will be posted on the Commission's calendar located at <http://www.ferc.gov/EventCalendar/EventsList.aspx> along with other related information.

Finally, Broadwater has established an Internet website for this project at <http://www.broadwaterenergy.com>. The website includes a description of the project, additional maps of the project area, and answers to frequently asked questions. You can also request additional information or provide comments directly to Broadwater at (800) 798-6379.

Magalie R. Salas
Secretary



Source: ESRI StreetMap, 2002.

Figure 1 Planned Broadwater Project Location in Long Island Sound

Mailing List Form

Docket No. PF05-4-000

Please keep my name on the mailing list for the Broadwater LNG Project.

Name _____

Agency _____

Address _____

City _____ **State** _____ **Zip Code** _____

FROM _____

ATTN: OEP - Gas 3, PJ - 11.3
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

(Docket No. **PF05-4-000**)

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